

STATE ALLOCATION BOARD

1130 K Street, Suite 400
Sacramento, CA 95814
<http://www.dgs.ca.gov/opsc>



Date: February 18, 2005

To: Interested Parties

Subject: **NOTICE OF THE STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE MEETING**

Notice is hereby provided that the State Allocation Board Implementation Committee will hold a meeting on Friday, March 4, 2005 (9:30 am - 3:30 pm) in Room 100 of the Legislative Office Building, located at 1020 N Street in Sacramento.

The Implementation Committee's proposed agenda is as follows:

1. Convene Meeting
2. Implementation of Assembly Bill 2950, Chapter 898, Statutes of 2004 (Goldberg) -
Continue discussion of alternative methods for final apportionment eligibility justification under the Critically Overcrowded School Facilities Program.
3. Implementation of Assembly Bill 1465, Chapter 894, Statutes 2004 (Chan) -
Discussion of the Small High School Pilot Program for new construction and modernization.

Any interested person may present public testimony or comments at this meeting regarding the issues scheduled for discussion. Any public input regarding unscheduled issues should be presented in writing, which may then be scheduled for a future meeting. For additional information, please contact Ms. Jackie George at (916) 445-3159.

MAVONNE GARRITY, Chairperson
State Allocation Board Implementation Committee

MV:LM:jg

STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE

Pending Items List
March 4, 2005

A. Future Items

- SFP – Project Rescission
- Follow-up to 180-Day Regulation: *District Funded Facilities Included in Existing School Building Capacity (approved at the May 26, 2004 State Allocation Board)*

B. Suspended Items

- None

STATE ALLOCATION BOARD

1130 K Street, Suite 400

Sacramento, CA 95814

<http://www.dgs.ca.gov/opsc>**Implementation Committee
2005 MEETING CALENDAR****Thursday, January 6, 2005**1020 N Street (Leg. Off. Bldg.), Room 100
Sacramento, CA**Friday, February 11, 2005**1020 N Street (Leg. Off. Bldg.), Room 100
Sacramento, CA**Friday, March 4, 2005**1020 N Street (Leg. Off. Bldg.), Room 100
Sacramento, CA**Friday, April 8, 2005**1020 N Street (Leg. Off. Bldg.), Room 100
Sacramento, CA**Friday, May 6, 2005**1020 N Street (Leg. Off. Bldg.), Room 100
Sacramento, CA**Friday, June 3, 2005**1500 Capitol Ave. Rms. 72.149B & 72.148C
Sacramento, CA**Friday, July 8, 2005**1020 N Street (Leg. Off. Bldg.), Room 100
Sacramento, CA**Friday, August 5, 2005**1500 Capitol Ave. Rms. 72.149B & 72.148C
Sacramento, CA**Friday, September 9, 2005**1500 Capitol Ave. Rms. 72.149B & 72.148C
Sacramento, CA**Friday, October 7, 2005**1020 N Street (Leg. Off. Bldg.), Room 100
Sacramento, CA**Friday, November 4, 2005**1500 Capitol Ave. Rms. 72.149B & 72.148C
Sacramento, CA**Friday, December 2, 2005**1500 Capitol Ave. Rms. 72.149B & 72.148C
Sacramento, CA

Meeting times are scheduled from 9:30 am to 3:30 pm with a 1-hour lunch break.

Meeting times, dates and locations are subject to change.

State Allocation Board
Implementation Committee
March 4, 2005

CRITICALLY OVERCROWDED SCHOOL FACILITIES PROGRAM
IMPLEMENTATION OF ASSEMBLY BILL 2950

ISSUE

In September 2004, Assembly Bill (AB) 2950, Chapter 898, Statutes of 2004 (Goldberg) became law.

BACKGROUND

AB 2950 specifically addresses participant school district concerns referenced in the June 2004 State Allocation Board (SAB) Critically Overcrowded School (COS) Facilities Program report. The report discussed alternative methods for a COS applicant to justify receiving School Facility Program (SFP) new construction pupil grants for a final apportionment, limited to projects with preliminary apportionments from the Kindergarten-University Public Education Facilities Bond Act of 2002.

PROGRAM HISTORY

The SAB approved the initial regulations for the COS program at its September 2002 meeting with an effective date of November 5, 2002. Through the COS program, districts have the ability to secure a reservation of funds prior to having all of the necessary State agencies' approvals. The program is designed to set these funds aside for qualified districts in advance of the site selection, hazardous waste clean-up and subsequent agency approval process typically necessary for applicant schools. After COS projects are approved, districts have four to five years to meet all requirements of the SFP including receiving all State approvals needed for a complete funding application for new construction. When the project converts to its final apportionment, the district must still have SFP eligibility to support the new construction conversion application.

As referenced above, the Office of Public School Construction (OPSC) presented a report to the SAB in June 2004, presenting the concern of various districts regarding the COS program. The report indicates that due to declining enrollment in certain grade levels or when reporting enrollment of attendance rather than location of residence, as required in the cohort survival enrollment projection system, the district may be unable to substantiate the project(s) at conversion. The June report concluded that it was not within the Board's authority to accommodate the districts' request to modify or eliminate the second check of new construction eligibility and that legislative remedy was the only option.

DISCUSSION

The legislative remedy did occur by means of AB 2950 and this item is to facilitate discussion on feasible suggestions and alternatives for implementation. In order to accommodate participants of the COS program in converting their preliminary apportionment to a final apportionment, staff with the assistance of the Committee, will propose amended regulations necessitated by the passage of AB 2950 for presentation to an upcoming SAB meeting. (Please see Attachments A and B.)

SUMMARY OF LAW

For purposes of determining Final Apportionment eligibility, projects funded from the 2002 Critically Overcrowded School Facilities Account typically use SFP new construction eligibility. As an alternative to the traditional five year projection process, utilizing the Cohort Survival Enrollment Projection (CSEP), the following methods (please see Attachment C) may be considered to support the pupils reported on the *Application for Funding* (Form SAB 50-04):

- Eligibility justification may be generated using current year enrollment, as reported on the district's *Enrollment Certification/Projection* (Form SAB 50-01), when compared against the district's school building capacity.
- Districts reporting on a High School Attendance Area (HSAA) basis also have the option of utilizing current or projected pupil residence information, for the year that the final apportionment is submitted to OPSC, to compare against the district's school building capacity.

Pupils will continue to be reduced from the baseline for all projects receiving SFP grants, regardless of whether the standard method of determining SFP new construction eligibility or an alternate justification method is utilized. The focus of this discussion will be on the eligibility calculation options available for districts reporting by HSAA.

HSAA RESIDENCY CONSIDERATIONS

Districts reporting SFP new construction eligibility by HSAA have the option of using pupil residency information in addition to projected or actual pupil enrollment, as reported on the Form SAB 50-01. When an alternative justification method is utilized, the chosen method must be continued for all final apportionments which had preliminary apportionments funded from the 2002 Critically Overcrowded School Facilities Account, as required by law.

Enrollment vs. Residency

Currently, the Form SAB 50-01 reports each HSAA's actual enrollment as reported to the California Department of Education, and also generates the standard CSEP to determine the HSAA's traditional SFP new construction eligibility, to support the pupils requested on the Form SAB 50-04.

As an alternative to the current year actual enrollment or the traditional CSEP-determined eligibility, the HSAA district may elect to submit a Form SAB 50-01 based on the residence of pupils within each HSAA, along with supporting documentation. Utilizing this alternative Form SAB 50-01, HSAA districts will have two options available to seek sufficient justification for the project in addition to current or projected enrollment. The current year's residency figures can be considered, for the HSAA within which the project is located, or a project's residency amount can be considered utilizing a five-year CSEP from the current submittal year.

Eligibility Tracking

Under a residency method for project justification, pupil eligibility is recognized within a HSAA without being depicted in the traditional manner based on California Basic Educational Data System (CBEDS) enrollment. However, these pupils may be influencing new construction eligibility elsewhere throughout the district; a method must be implemented to sort the district's total new construction eligibility to avoid a duplication of pupil reporting.

Based on feedback from the previous meeting the following method has been proposed to track available remaining eligibility. When using the residency method, for each Preliminary Apportionment approved, proportionality subtract the number of pupils in the proposed project from each HSAA's SFP new construction eligibility baseline where the pupils are actually enrolled. The number of pupils will be prorated based on the ratio of where the justifying pupils were enrolled outside of the HSAA. In the subsequent CBEDS enrollment year after a Preliminary Application is converted to a Final Apportionment and upon confirmation of occupancy, the previously reduced pupils associated with the project will be returned to the HSAA(s) SFP new construction eligibility.

ATTACHMENT A

SAB Implementation Committee Meeting, March 4, 2005

Proposed Regulatory Amendments Critically Overcrowded School Facilities Program

Section 1859.51. Adjustments to the New Construction Baseline Eligibility.

The baseline eligibility for new construction determined on the Form SAB 50-03, will be adjusted as follows:

- (a) Reduced by the number of pupils provided grants in a new construction SFP project and by the number of pupils that received a Preliminary Apportionment pursuant to Section 1859.140 or a Preliminary Charter School Apportionment pursuant to Section 1859.160.
- (b) Reduced by the number of pupils housed, based on the loading standards pursuant to Education Code Section 17071.25(a)(2)(A), in a new construction LPP project funded under the provisions of the LPP pursuant to Sections 1859.12 or 1859.13.
- (c) Reduced by the number of pupils housed in additional classrooms constructed or purchased based on the loading standards, pursuant to Education Code Section 17071.25(a)(2)(A), in a modernization SFP project.
- (d) Adjusted as a result of the audit findings made pursuant to Sections 1859.90 and 1859.105.
- (e) Increased/decreased by changes in projected enrollment in subsequent enrollment reporting years for all districts except decreases as provided in (j) below.
- (f) Adjusted as a result of errors or omissions by the district or by the OPSC.
- (g) Adjusted as a result of amendments to these Regulations that affect the eligibility.
- (h) Increased by the number of pupils eligible for grants pursuant to Section 1859.82 (a).
- (i) Reduced by the number of pupils housed, based on loading standards pursuant to Education Code Section 17071.25(a)(2)(A), in any Classroom Provided after the baseline eligibility was determined by the Board with the exception of those pupils housed or to be housed in a classroom:
 - (1) That is a trailer and transportable/towed on its own wheels and axles.
 - (2) Of less than 700 interior square feet.
 - (3) Excluded pursuant to Education Code Section 17071.30.
 - (4) Where the contract for the lease, lease-purchase, purchase, or construction of the classroom was made prior to January 1, 2000.
 - (5) That is included in a SFP project where the district has funded a portion of the project beyond its required district contribution and the pupil capacity of the classroom does not exceed 150 percent of the number of pupils receiving a new construction grant (rounded up) for the SFP project.
 - (6) That was acquired with joint-use funds specifically available for that purpose.
- (j) For Small School Districts, decreased:
 - (1) By any reduction in projected enrollment that follows a three-year period after the district's eligibility was approved by the Board.
 - (2) By any increase in the number of pupils included in the latest operational grant report made by the CDE pursuant to Education Code Section 42268 beginning three years after the district's most current eligibility was approved by the Board. The reduction in eligibility shall be determined by the number of pupils included in the latest operational grant report that exceed the number of pupils included in the operational grant report in effect when the district's most current eligibility was approved by the Board or adjusted by a subsequent operational grant report after that date.
- (k) Adjusted for any change in classroom inventory as a result of a reorganization election.
- (l) For classroom loading standards adopted by the Board for non-severely disabled individuals with exceptional needs and severely disabled individuals with exceptional needs.
- (m) As directed by the Board due to a finding of a Material Inaccuracy pursuant to Regulation Section 1859.104.1.
- (n) Increased by the number of pupils that received a Preliminary Apportionment that was rescinded pursuant to Section 1859.148 or a Preliminary Charter School Apportionment that was rescinded pursuant to Section 1859.166.
- (o) Adjusted for operational grant changes as determined/provided by the California Department of Education.
- (p) For a HSAA district with Preliminary Apportionments within the 2002 Critically Overcrowded School Facilities Account as follows:

- (1) Decreased by the number of pupils that received a Preliminary Apportionment, for a HSAA in which the pupils used to justify the Preliminary Apportionment were enrolled but did not reside, at a pro-rated basis determined by the percentage of pupils which are enrolled outside of the HSAA where they reside.
- (2) In subsequent enrollment reporting years after verification of Occupancy of a project, increased by the number of pupils equal to the reduction due to Section 1859.51(p)(1), for the project which was occupied.
- (3) Increased by the number of pupils equal to the reduction due to Section 1859.51(p)(1), for a Preliminary Apportionment rescinded pursuant to the provisions of Section 1859.148.

Note: Authority cited: Section 17070.35, Education Code.

Reference: Sections 17052, 17070.51, 17071.25, 17071.75, 17071.76, 17072.20 and 17077.40, Education Code.

Section 1859.147. Conversion of Preliminary Apportionment.

When a Preliminary Apportionment is converted to a Final Apportionment, all the following criteria must be met:

- (a) The district must have current New Construction Eligibility sufficient to support at least 75 percent of the pupils the district requested and received the Preliminary Apportionment, except as allowed in (d) or (e).
- (b) The Final Apportionment request must meet all criteria for a New Construction Adjusted Grant pursuant to Section 1859.21.
- (c) A district seeking to convert a Preliminary Apportionment to a Final Apportionment shall complete and file Form SAB 50-04, which requests funding for at least 75 percent, but not more than 100 percent, of the pupils the district requested and received the Preliminary Apportionment.
- (d) In lieu of (c), when the district's enrollment has decreased to less than 75 percent of the pupils requested for the project's Preliminary Apportionment, the district may utilize any SFP eligibility justified for its conversion to a Final Apportionment.
- (e) In lieu of (a), for a project funded from the Kindergarten-University Public Education Facilities Fund of 2002, sufficient project eligibility may be determined utilizing:
 - (1) The current year enrollment as recorded on the Form SAB 50-01 for the year in which the application for the Final Apportionment is submitted.
 - (2) Either (A) or (B) below for a district reporting eligibility pursuant to Section 1859.41. Once utilized that same subparagraph must be used for all remaining Preliminary Apportionments under this subdivision:
 - (A) The current year pupil residence data within the HSAA in which the project will be built, for the year in which the application for the Final Apportionment is submitted.
 - (B) The projected pupil residence for the year in which the application for the Final Apportionment is submitted, calculated by the cohort survival enrollment projection method, utilizing pupil residence data for the HSAA in which the project will be built.

It is not necessary to re-justify the Qualifying Pupils assigned to the Preliminary Application as required by Section 1859.142(c) at the time the application is converted to a Final Apportionment.

An Approved Application received by the OPSC on or after January 1, 2005 to convert a Preliminary Apportionment to a Final Apportionment may utilize an alternate eligibility justification pursuant to Section 1859.147(e), provided that the project meets all other funding requirements at the time of submittal.

If the district is unable to meet the criteria in this Section, the Preliminary Apportionment shall be rescinded pursuant to the provisions of Section 1859.148.

Note: Authority cited: Sections 17070.35 and 17075.15, Education Code.

Reference: Section 17078.27, Education Code.

ENROLLMENT CERTIFICATION/PROJECTION SCHOOL FACILITY PROGRAM

SAB 50-01 (REV 01/03/02/05)

GENERAL INFORMATION

To determine a district's initial eligibility for new construction funding under the School Facility Program, the district must provide enrollment information for the current and previous three years on this form. After the initial submittal, this form need only be resubmitted when the district requests additional new construction funding in a new enrollment year or as a result of a reorganization election that affects either the district's enrollment or existing school building capacity.

The following documentation must be submitted with this form (as appropriate):

- Specific enrollment data for district's with current enrollment that is less than 300 if the district is requesting an enrollment projection based on five-year average enrollment data (refer to Part A).
- A copy of the study supporting student yield factors if the district is requesting an augmentation of its enrollment projection due to pupils residing in new dwelling units and it is not using the State yield factors (refer to Part F).
- A copy of the governing board approved attendance map and enrollment distribution worksheet for every HSAA, if the district is currently, or anticipates for the future, reporting residency data (refer to Part A). By signing this form, the district certifies that the pupil enrollment and residency data used to support the submitted map and worksheet is available at the district for OPSC verification.

A high school district, unified school district, or county superintendent of schools may file on a high school attendance area (HSAA) basis or Super HSAs as provided under Education Code Section 17071.76 and Section 1859.41. In that case, the enrollment used on this form is the current and three previous years enrollment in the HSAA or Super HSAA.

To determine the new construction eligibility for a district filing on a HSAA basis, and seeking COS project justification pursuant to SFP Regulation Section 1859.147(e)(2), one Form SAB 50-01 based on enrollment as reported to CDE and one based on the residence of the pupils must be filed for each HSAA which includes a Preliminary Apportionment for a 2002 COS project.

This form is not used for modernization funding applications.

SPECIFIC INSTRUCTIONS

Part A. Enrollment/Residency Data

Check the appropriate box to indicate whether the district is reporting enrollment data or residency data.

Enrollment Data

—(To be completed by school districts or the county superintendent of schools),

The information needed to complete this form is based on the latest California Basic Education Data Systems (CBEDS) that is available approximately October 15th of each year. Report the current year and the three prior years K–12 enrollment. High school districts report the unduplicated enrollment data for grades served by the district and all feeder elementary school grades for the current year and the previous three years.

As an option, school districts with less than 300 current enrollment may report the previous five year average for any grade level for any year when the enrollment for that grade level has decreased by more than 50 percent from the previous year. If this option

is used, the district must identify each grade level where this option is used on Form SAB 50-01 and attach the appropriate enrollment documentation to support this request.

County superintendents report the enrollment for community school students as reported in April prior to the latest CBEDS report.

The enrollment data must include all off-track and on-track students attending multi-track year round schools, students living outside the district's boundaries but attending schools in the district, students receiving Classroom-Based Instruction in Charter Schools located within the district boundaries and are enrolled in the same grade levels or type served by the district regardless if the district chartered the school, students attending magnet schools, community school students, and students attending independent study.

Do not include students living in the district's boundaries but attending other districts, students attending regional occupational programs, students attending preschool programs, other students not generally considered K–12 students including adult education students, students receiving Classroom-Based Instruction in Charter Schools located within the district boundaries but are enrolled in grade levels or type not served by the district, students living inside district boundaries but are receiving Classroom-Based Instruction in Charter Schools located outside the district boundaries, students receiving Nonclassroom-Based Instruction, juvenile court/court school students, special day class pupils, or continuation high school pupils.

Residency Data

To be completed by a HSAA district, filing pursuant to Section 1859.147(e)(2).

The information used to complete this form is based on the latest enrollment as reported on the CBEDS that is available October of each year, and pupil residency within the district's boundaries. Report the current year and the three prior years' K–12 pupils that are both enrolled and reside within the district boundaries and reside within the HSAA boundaries. For HSAA district filing pursuant to Section 1859.147(e)(2)(A) only the current years' K–12 pupils must be reported.

Do not include students living outside the district's boundaries but attending school in the district, students living in the district's boundaries but attending other districts, students attending regional occupational programs, students attending preschool programs, other students not generally considered K–12 students including adult education, students receiving Classroom-Based Instruction in Charter Schools located within the district boundaries but are enrolled in grade levels or type not served by the district, students living inside district boundaries but are receiving Classroom-Based Instruction in Charter Schools located outside the district boundaries, students receiving Nonclassroom-Based Instruction, juvenile court/court school students, special day class pupils or continuation high school pupils.

Part B. Pupils Attending Schools Chartered by Another District

Of the data reported in Part A of this form, indicate the aggregate pupil enrollment attending schools chartered by another district which are located within your district boundaries for the current year and the three prior years. If the district is reporting pupils attending schools chartered by another district for the current year, then the district must submit a separate letter with the following information:

- The total Charter School enrollment listed by each of the K–12 grade levels reported for the current year.

**ENROLLMENT CERTIFICATION/PROJECTION
SCHOOL FACILITY PROGRAM**

SAB 50-01 (REV 01/03/02/05)

- A list of the other school district(s) that chartered school(s) within your boundaries. Include the Charter School name(s) and total school enrollment.

For the previous years, report the total enrollment for pupils attending schools chartered by another district, if known. If the information is not available, enter N/A. In this case, the OPSC will adjust the previous years' enrollment data based on a prorated basis of the rate of growth or decline of the previous years' enrollment.

Enter 0 if there are no pupils attending schools chartered by another district within your district boundaries for the current or previous years.

Part C. Continuation High School

—(To be completed by school districts only).

Report the continuation high school enrollment for the current year and the three previous years. For purposes of projecting the enrollment, these pupils will be added to the enrollment data in Part A.

Part D. Special Day Class Pupils

—(To be completed by school districts or the county superintendent of schools).

Report the pupils enrolled or residing, as appropriate, within the district boundary, attending the special day classes as shown and reported to the California Department of Education in December prior to the latest CBEDS report. Use pupil descriptions as provided in Section 1859.2 for Non-Severely Disabled Individual with Exceptional Needs and Severely Disabled Individual with Exceptional Needs.

Part E. Special Day Class Enrollment

—(To be completed by county superintendent of schools only).

Report the total of special day class pupils in all categories for the three previous years.

Part F. New Dwelling Units

—(To be completed by school districts only).

The district may augment the enrollment projection based on the number of pupils that will reside in dwelling units included in an approved subdivision map or valid tentative subdivision map. The district must certify as part of this form that the local planning commission or approval authority has approved the tentative subdivision map that is currently valid (i.e., the approval from the planning commission or approval authority has not expired) and the district has identified the dwelling units in that subdivision map to be constructed. All proposed dwelling units in that subdivision may be used to augment the district's enrollment projection. Report those dwelling units in Part E. Any request for augmentation of the district's enrollment projection must be made by separate letter from the district with this form. The district must certify as part of this form that the approved or valid tentative subdivision map(s) used to support this request are available at the district for OPSC verification.

Part G. Yield Factor

—(To be completed by school districts only).

Report the district's student yield factors as defined in Section 1859.2, if different than the statewide average student yield factor. The statewide average student yield factors are as follows:

- Elementary School District 0.5 students per dwelling unit
- High School District 0.2 students per dwelling unit
- Unified School District 0.7 students per dwelling unit

Should the district wish to use its own student yield factors, a copy of the district's study that justifies the student yield factors must be submitted with this form.

Part H. Five Year Projected Enrollment/Residency

—Used for the School Facility Program. To be completed by the Office of Public School Construction (OPSC).

Part I. One Year Projected Enrollment

—Used for the State Relocatable Program. To be completed by the OPSC. Do not manually complete Parts H or I.

Complete this form manually, sign, date, and submit to the OPSC for computations. A completed copy of this form with the enrollment projections will be returned to the district.

The methodology for calculating the district's projected enrollment is outlined in Sections 1859.42 and 1859.43.

SCHOOL DISTRICT	FIVE-DIGIT DISTRICT CODE NUMBER (SEE CALIFORNIA PUBLIC SCHOOL DIRECTORY)
COUNTY	HIGH SCHOOL ATTENDANCE AREA (HSAA) OR SUPER HSAA (IF APPLICABLE)

PART A. ENROLLMENT/RESIDENCY DATA—(Districts or County Superintendent of Schools)

☐ Enrollment Data ☐ Residency Data (HSAA Districts Only)

GRADE	3RD PREVIOUS	2ND PREVIOUS	PREVIOUS	CURRENT
	/	/	/	/
K				
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
Total				

PART B. PUPILS ATTENDING SCHOOLS CHARTERED BY ANOTHER DISTRICT

3RD PREVIOUS	2ND PREVIOUS	PREVIOUS	CURRENT

PART C. CONTINUATION HIGH SCHOOL – (DISTRICTS ONLY)

GRADE	3RD PREVIOUS	2ND PREVIOUS	PREVIOUS	CURRENT
	/	/	/	/
9				
10				
11				
12				

PART D. SPECIAL DAY CLASS PUPILS— (Districts or County Superintendent of Schools)

ELEMENTARY		SECONDARY		ELEMENTARY		SECONDARY	
NON-SEVERE	SEVERE	NON-SEVERE	SEVERE	NON-SEVERE	SEVERE	NON-SEVERE	SEVERE
MR				OI			
HH				OHI			
DEAF				SLD			
HI				DB			
SLI				MH			
VI				AUT			
SED				TBI			
				TOTAL			

PART E. SPECIAL DAY CLASS ENROLLMENT— (County Superintendent of Schools Only)

3RD PREVIOUS	2ND PREVIOUS	PREVIOUS

PART F. NUMBER OF NEW DWELLING UNITS

PART G. DISTRICT STUDENT YIELD FACTOR

**PART H. FIVE YEAR PROJECTED ENROLLMENT/RESIDENCY – School Facility Program Projections
(Except Special Day Class Pupils Only)**

K-6	7-8	9-12	TOTAL

Projections— Special Day Class Pupils Only

	ELEMENTARY		SECONDARY			ELEMENTARY		SECONDARY	
	NON-SEVERE	SEVERE	NON-SEVERE	SEVERE		NON-SEVERE	SEVERE	NON-SEVERE	SEVERE
MR					OI				
HH					OHI				
DEAF					SLD				
HI					DB				
SLI					MH				
VI					AUT				
SED					TBI				
					TOTAL				

**PART I. ONE YEAR PROJECTED ENROLLMENT – State Relocatable Program Projections
(Except Special Day Class Pupils Only)**

K-6	7-8	9-12	TOTAL

Projections – Special Day Class Pupils Only

	ELEMENTARY		SECONDARY			ELEMENTARY		SECONDARY	
	NON-SEVERE	SEVERE	NON-SEVERE	SEVERE		NON-SEVERE	SEVERE	NON-SEVERE	SEVERE
MR					OI				
HH					OHI				
DEAF					SLD				
HI					DB				
SLI					MH				
VI					AUT				
SED					TBI				
					TOTAL				

STATE OF CALIFORNIA
ENROLLMENT CERTIFICATION/PROJECTION
SCHOOL FACILITY PROGRAM

SAB 50-01 (REV 01/03/02/05)

STATE ALLOCATION BOARD
OFFICE OF PUBLIC SCHOOL CONSTRUCTION

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I certify, as the District Representative, that the information reported on this form is true and correct and that:

- I am designated as an authorized district representative by the governing board of the district.
- If the district is requesting an augmentation in the enrollment projection pursuant to Section 1859.42 (b), the local planning commission or approval authority has approved the tentative subdivision map used for augmentation of the enrollment and the district has identified dwelling units in that map to be contracted. All subdivision maps used for augmentation of enrollment are available at the district for review by the OPSC.
- This form is an exact duplicate (verbatim) of the form provided by Office of Public School Construction. In the event a conflict should exist, then the language in the OPSC form will prevail.

SIGNATURE OF DISTRICT REPRESENTATIVE

DATE

DRAFT

ELIGIBILITY JUSTIFICATION OPTIONS UNDER AB 2950

District-wide District:	1	Enrollment - Standard Cohort 5-year Projection
	2	Enrollment - Current Year

HSAA District (for each HSAA within district):	1	Enrollment - Standard Cohort 5-year Projection
	2	Enrollment - Current Year
	3	Pupil Residency - Cohort 5-year Projection
	4	Pupil Residency - Current Year

ATTACHMENT D

BILL TEXT: AB 2950 -- CHAPTERED (Assembly Member Goldberg) -- CHAPTER 898

APPROVED BY GOVERNOR and FILED WITH SECRETARY OF STATE: SEPTEMBER 29, 2004

An act to amend Section 17078.27 of the Education Code, relating to school facilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 2950, Goldberg. Critically overcrowded school facilities.

Existing law, the Leroy F. Greene School Facilities Act of 1998, requires the State Allocation Board to allocate to applicant school districts, prescribed per-unhoused-pupil state funding for construction and modernization of school facilities, including hardship funding, and supplemental funding for site development and acquisition. Eligibility for new construction funding under the act is determined, in part, by calculating enrollment projections determined by utilizing a cohort survival enrollment projection system.

Existing law also includes provisions that make apportionments, for eligible applicants with critically overcrowded schools, in advance of full compliance with all the application requirements otherwise required for an apportionment. Under existing law, upon the completion of preliminary process procedures required by the act, the apportionment made in advance of full compliance is converted into a final apportionment when the preliminary applicant complies with all the conditions required for a final apportionment.

This bill would provide alternative methods for an applicant in the critically overcrowded schools program to calculate enrollment for purposes of determining eligibility for a final apportionment for a project funded from the Kindergarten-University Public Education Facilities Bond Act of 2002.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 17078.27 of the Education Code is amended to read:

17078.27. (a) Upon completion of the preliminary process authorized pursuant to this article, and when a preliminary applicant has complied with the conditions set forth in this chapter for a final apportionment, including, but not limited to, Section 17070.50, the board shall adjust the preliminary apportionment as set forth in subdivision (b) and as necessary to reflect the current eligible grant amounts for final apportionments pursuant to this chapter consistent with regulations adopted pursuant to subdivision (c) of Section 17078.24. The board shall then convert the adjusted preliminary apportionment to a final apportionment and proceed to completion of the project in the same manner as for any project funded under provisions of this chapter other than this article.

(b) The board may adjust for cost increases only if uncommitted funds reserved expressly for the purposes of this article remain available for those purposes.

(c) For purposes of calculating enrollment to determine eligibility for a final apportionment for a project funded from the Kindergarten-University Public Education Facilities Bond Act of 2002, as set forth in Part 68.1 (commencing with Section 100600), an applicant may use one of the following methods as an alternative to the method provided in subdivision (a) of Section 17071.75:

(1) The current year enrollment as recorded on the cohort survival enrollment projection system described in subdivision (a) of Section 17071.75, for the year in which the application for the final apportionment is submitted.

(2) (A) If eligibility for the preliminary apportionment was calculated pursuant to Section 17071.76, the current year or five-year projected enrollment as recorded on a cohort survival enrollment projection system, developed and approved by the board, that uses pupil residence in the high school attendance area, for the year in which the application for the final apportionment is submitted.

(B) A district that uses the method described in this paragraph to calculate enrollment shall also use this method to calculate enrollment for all applications it submits for final apportionments for projects for which preliminary apportionments were approved from the same bond authorization.

STATE ALLOCATION BOARD
IMPLEMENTATION COMMITTEE
MARCH 4, 2005

SMALL HIGH SCHOOL FUNDING

BACKGROUND

Assembly Bill (AB) 1465 (Chan), Chapter 894, Statutes 2004 (see attached) created a pilot program to provide additional construction funding under the School Facility Program (SFP) for purposes of constructing new Small High Schools or reconfiguring existing high schools into smaller schools of two or more that would foster learning superiority and success in a small high school environment. A "Small High School", for purposes of this bill, is defined as a high school with an enrollment of 500 pupils or less.

The program will begin on January 1, 2006, and will continue through December 31, 2007, or until all funds are exhausted. The pilot program will remain in effect only until January 1, 2008, and as of that date is repealed, unless a later statute is enacted before January 1, 2008, that deletes or extends that date.

AB 1465 requires the State Allocation Board to adopt regulations to implement the pilot program and to conduct an evaluation comparing the cost of constructing large high school projects versus Small High School projects built under the pilot program.

PROGRAM FUNDING

AB 1465 set aside a total of \$25 million subdivided as follows:

- \$5 million for modernization of Small High School projects
- \$20 million for the new construction of Small High Schools

NEW CONSTRUCTION

The \$20 million to be set aside for new construction projects may be allocated in the following manner:

- The \$20 million set aside under AB 1465 for new construction projects will be used to fund the 20% increase to the pupil grant value for Small High School projects, above and beyond that of a regular SFP project.

Pursuant to statute, new construction funding is available only for those districts that meet the following criteria:

- New Small High School of no more than 500 pupils to be built on a site with no existing facilities.
- Project being funded through this pilot program must be part of a district academic reform strategy.
- This pilot program does not apply where a Small High School would otherwise have been built because of sparse population in the geographical area.

STATE AND DISTRICT SHARE

New construction projects under the pilot program shall be funded at a 60 percent State and 40 percent district matching share ratio. Additionally, the State per pupil grant amounts for new construction will be awarded at 120 percent of the current value based on the Construction Cost Index at the time of application submittal. AB 1465 requires that the per-unhoused-pupil grant will be calculated as follows:

SFP New Construction High School Grant Amount	\$ 7,200
SFP New Construction Small High School Grant Amount (120%)	\$ 8,640

Applicant districts must be able to certify that their 40 percent matching funds required pursuant to Sections 1859.77.1 or 1859.79 has either been expended by the district, deposited in the County School Facility Fund or will be expended by the district prior to the notice of completion for the project. Regulatory amendments will be made to Section 1859.77.1 to reflect the district matching share amount pursuant to the pilot program. Any eligible Additional and Excessive Cost Hardship Grants provided under the SFP shall be included in the total project cost. Districts qualifying for Financial Hardship Status must have current approval at the time of submittal.

Participant districts are required to provide actual construction costs to the Office of Public School Construction (OPSC) and cooperate with the CDE so that the required evaluations can be conducted. These evaluations shall be completed no later than two years after the opening of the last Small High School constructed with funds from this bill.

APPLICATION PROCESS

AB 1465 prohibits districts located within sparsely populated geographical areas from applying for this program. Therefore, applicant districts must meet the following criteria in order to apply:

- Sufficient SFP new construction eligibility to construct a high school of 500 pupils or more at the time the application for funding is submitted.

In order to apply for State funding under this program, the applicant district will be required to submit the following documents:

- *Application for Funding* (Form SAB 50-04).
- Cost estimate.
- Site acquisition documents if applicable.
- Division of State Architect approved plans and specifications.
- California Department of Education (CDE) site and final plan approvals.

APPLICATION FILING PERIOD

As prescribed, the pilot program must allow a sufficient filing period so that the pilot program participants are broadly representative of the Northern, Central and Southern regions of the State and encompass urban, suburban and rural school districts. The application period for the pilot program shall begin January 1, 2006, and will continue through June 31, 2007.

APPLICATION IDENTIFIERS

Each application will be evaluated to determine which region it represents and assigned to be either rural, suburban or urban based on the criteria approved under the School Facility Program Regulations. The following is a regional breakout by county:

- Region 1: Alpine, Amador, Butte, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba.
- Region 2: Alameda, Calaveras, Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Mono, Monterey, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz, Stanislaus, Tulare, and Tuolumne.
- Region 3 and 4: Los Angeles, San Bernardino, San Luis Obispo, Santa Barbara, Ventura, Imperial, Orange, Riverside, and San Diego.

Each region will be subdivided into three locales as described below:

1. Rural Area: Shall be a school with a locale code of six, seven or eight as classified by the National Center for Education Statistics (NCES).
2. Suburban Area: Shall be a school with a locale code of two, three, four or five as classified by the NCES.
3. Urban Area: Shall be a school with a locale code of one as classified by the NCES.

SAB FUNDING

In order to ensure that the pilot program participants are broadly representative of the State, the following proposals are for use in determining which projects are most suitable for the Small High School pilot program:

Option 1: A ranking system that takes into account the following three factors:

1. District Academic Performance Index (API) score or similar academic ranking schedule.
2. District geographical region.
3. District locale code.

The applicant district with the lowest API score of the most current reporting year will have the highest ranking. The region and locale represented by that district will be closed until the remaining two locales using the next lowest API scores are selected from at least two of the remaining three regions. When the approved applications represent three different locales and three different regions, the selection will commence from the next lowest API score from the remaining region not yet represented without regard to locale.

Option 2: A lottery system, where all Approved Applications received by the pre-designated deadline will be assigned pre-numbered tokens to be drawn at random. In order to ensure that districts are broadly representative of the State, all regions and locales will have an equal opportunity for selection and will be represented in the lottery.

There will be no unfunded list associated with this program. In the event that the SAB is unable to fully fund a project due to insufficient availability of funds, the district will have the following options:

- Accept the balance of any amounts remaining in the program as the full and final apportionment.
- Refuse the funding in its entirety.
- Reapply as a regular SFP new construction project.

Additionally, the applicant district will be required to certify to following on the Form SAB 50-04 which will be amended to conform to the pilot program:

- That the new Small High School is part of a district academic reform strategy.
- That each new Small High School will not exceed a total enrollment of 500 pupils throughout the duration of the pilot program, or until the evaluation of the program has been completed by CDE.
- Provided at the close out of the project a detailed listing of all expenditures specifically related to the construction of the Small High School.

MODERNIZATION

AB 1465 provides modernization funding for the reconfiguration of an existing high school with an enrollment of 1,000 or more pupils into two or more Small High Schools. Additional modernization funding is provided to assist with costs generated by the reconfiguration. A small amount of new construction, which is necessary to accommodate the reconfiguration, is allowed under this program. AB 1465 has set aside \$5 million for the purposes of modernization; however, no single projects shall be granted, in the aggregate, more than \$500,000.

The Board has been directed to adopt regulations to implement this program, which shall remain in effect until January 1, 2008 (unless a later enacted statute deletes or extends that date).

RECONFIGURATION

We propose that the reconfiguration funding be provided as an additional grant to augment a SFP modernization funding application.

AB 1465 stipulates that no single project shall be granted, in the aggregate, more than \$500,000 (state's share) for the reconfiguration work. In order to accomplish this, the reconfiguration work will be limited to \$500,000 on the original site regardless of the resulting number of reconfigured high schools created. Any increase in the total number of classrooms that occurs as a result of the reconfiguration will be reduced from the District's new construction baseline.

The term "reconfiguration" has been previously defined in the SFP Regulations specifically for the Joint-Use Program. Joint-Use defines reconfiguration as "remodeling an existing school building within its current confines and/or the expansion of the square footage of the existing building and any necessary replacement of displaced classrooms or other minimum essential facilities."

For purposes of the "Small High School Program", the term "reconfiguration" will be expanded to:

- Allow the separation/creation of new school boundaries to create at least two distinct Small High School entities according to the guidelines specified by the California Department of Education (CDE), and
- Stipulate that the combined reconfiguration work at any existing high school site shall be considered *one* project, regardless of the number of reconfigured high schools created.

APPLICATION PROCESS

Submittal Guidelines

- Applications shall be accepted beginning on January 1, 2006, and shall continue until the funds are exhausted, the program ends on January 1, 2008, or until statute deletes or extends this date.
- The applicant district will be required to submit the following:
 - An application specific to the program
 - Two separate cost estimates:
 - A cost estimate for the modernization project
 - A cost estimate for the reconfiguration work
 - Plot plan indicating the current number of classrooms at the existing site
 - Plans and specifications
 - Required DSA and CDE approvals
 - A copy of the most current CBEDS

Processing & Presentation to the SAB

- Projects requesting funding under this program will be processed based on the order of date received by the OPSC.
- The work required to reconfigure the existing high school into two or more Small High Schools must be reviewed and verified by the OPSC Plan Verification Team for eligible expenditures.
- There will be no unfunded list associated with this program.
- In the event that the SAB is unable to fully fund a project requesting the reconfiguration additional grant due to insufficient availability of funds, the district has the following options:
 - Accept the balance of any amounts remaining in the program as the full and final apportionment
 - Refuse the funding in its entirety.
 - Reapply as a regular SFP modernization project without the reconfiguration additional grant.

Certifications

- The applicant district will be required to certify to the following:
 - Each new Small High School will not exceed a total enrollment of 500 pupils throughout the duration of the program, or until the SAB completes its cost evaluation.
 - The district will provide at the close-out of the project a detailed listing of all expenditures specifically related to the reconfiguration.

Modernization Eligibility

Once the original site is reconfigured, the applicant district will be required to re-establish the modernization baseline for each high school entity created. The modernization eligibility for each site will need to be determined in accordance with the provisions of SFP Regulation Section 1859.60 – Calculation to Determine Modernization Baseline Eligibility.

BILL NUMBER: AB 1465 CHAPTERED
BILL TEXT

CHAPTER 894

FILED WITH SECRETARY OF STATE SEPTEMBER 29, 2004
APPROVED BY GOVERNOR SEPTEMBER 29, 2004
PASSED THE ASSEMBLY AUGUST 26, 2004
PASSED THE SENATE AUGUST 19, 2004
AMENDED IN SENATE AUGUST 17, 2004
AMENDED IN SENATE JULY 12, 2004
AMENDED IN SENATE JUNE 29, 2004
AMENDED IN SENATE JUNE 9, 2004
AMENDED IN SENATE SEPTEMBER 8, 2003
AMENDED IN ASSEMBLY JUNE 2, 2003
AMENDED IN ASSEMBLY APRIL 24, 2003

INTRODUCED BY Assembly Member Chan
(Coauthors: Assembly Members Hancock and Levine)

FEBRUARY 21, 2003

An act to amend Section 17070.15 of, to amend, repeal, and add Sections 17072.10, 17072.30, and 17072.32 of, to add Section 17070.99 to, and to add and repeal Section 17074.32 of, the Education Code, relating to school facilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 1465, Chan. School facilities: new construction and modernization: small high schools.

Existing law, the Leroy F. Greene School Facilities Act of 1998, requires the State Allocation Board to allocate to applicant school districts, prescribed per-unhoused-pupil state funding for construction and modernization of school facilities, including hardship funding, and supplemental funding for site development and acquisition. Existing law requires the board to determine an applicant's maximum total new construction grant eligibility under a specified calculation and requires the board to annually adjust the per-unhoused-pupil apportionment to reflect construction cost changes.

Existing law precludes reduction of enrollment projections for a 3-year period, and requires the board to approve a supplemental apportionment, for an applicant school district having an enrollment of 2,500 or less.

This bill would provide that, commencing January 1, 2006, for a small high school, as defined, that meets certain criteria to be established by regulations adopted by the board, the maximum total new construction grant shall be adjusted to reflect 120% of the amounts determined pursuant to the above calculations, except as provided. The bill would establish this adjustment on a pilot program basis until January 1, 2008, and would require the board to set aside \$20,000,000 for this purpose from the proceeds of certain state bonds.

Existing law prohibits the board from apportioning funds for new

construction unless certain conditions are met, including, but not limited to, the requirement that the school district, prior to the release of state funds, certify that the required 50% local matching funds will be deposited or expended.

This bill would, instead, until January 1, 2008, for a project for construction of a small high school, as provided, authorize apportionment to a school district only if the school district certifies that the required 40% local matching funds will be deposited or expended.

Existing law authorizes the release of funds equal to the local match upon certification by the school district that it has entered into a binding contract for completion of the project.

This bill would, until January 1, 2008, for a project to construct a small high school, as provided, authorize the release of funds equal to 60% of the total approved project costs.

Existing law requires the board to determine an applicant's total modernization funding eligibility under a specified calculation and requires the board to annually adjust the calculation factors to reflect inflation, as provided.

This bill would, until January 1, 2008, authorize additional modernization funding for a high school with an enrollment of 1,000 or more pupils that is seeking to reconfigure into 2 or more small high schools, to assist with costs generated by the reconfiguration. The bill would require the board to set aside \$5,000,000 for this purpose from the proceeds of certain state bonds and to adopt implementing regulations, and would limit the amount of funding for a single project.

This bill would require the board to conduct an evaluation on the cost of new construction and modernization of small high schools, as provided, and would require the State Department of Education to conduct an evaluation that focuses on pupil outcomes at the small high schools, as provided, and on the reasons school districts do not currently opt to build small high schools.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. (a) The Legislature finds and declares all of the following:

(1) Research has shown that school size is an important predictor of pupil success, second only to socioeconomic status. The research literature clearly states the superiority of small schools as learning environments. In small schools all of the following occur:

(A) Dropout and truancy rates dramatically decrease and graduation rates and postsecondary education enrollment rates increase.

(B) Parents are much more likely to be involved in the school and to have greater participation in decisionmaking.

(C) Pupils experience a greater sense of belonging and are more satisfied with their schools.

(D) Fewer discipline problems occur.

(E) Crime, violence, and gang participation decrease.

(F) Incidences of alcohol and tobacco abuse decrease.

(G) Pupil attendance increases.

(2) A recent study of large and small schools in four states has shown that smaller schools reduce the damaging effects of poverty and

help pupils narrow the achievement gap between them and pupils from more affluent communities.

(3) Reducing school size has also been shown to significantly increase the likelihood of success of school reform efforts. Small schools are more effective at staff development and in implementing new curriculum.

(4) Based upon the research on the benefits of small schools, the United States Department of Education has created the Smaller Learning Communities Program and is currently providing a small number of planning and implementation grants to school districts across the country to support the development of small schools and small learning communities.

(5) Other states have recognized the value of small schools and have developed state policy to encourage small schools development. In Florida, for example, all schools built after 2003 will be small schools.

(6) Many parent groups and school districts in the state, including Oakland, Sacramento, San Jose, Los Angeles, and San Francisco, have initiated efforts to create small schools. These efforts include the creation of new small schools on new sites as well as the reconfiguration of existing schools into small schools and small learning communities.

(7) The trend in California, over the last few decades, has been to build larger and larger schools. For example, in 2000, more than 73 percent of California high schools had more than 1,000 pupils and more than 57 percent of middle schools had more than 800 pupils.

(8) The trend to build large schools has been driven by California's rapidly growing population and by the assumption that large schools are more cost effective.

(9) Research, however, has also shown that small schools, due to lower dropout rates and factors such as reduced school violence, can be more cost effective in per pupil spending than large schools.

(b) It is therefore the intent of the Legislature to enact changes in state law to create an incentive for school districts to establish smaller learning communities through increasing the state's share of schools facilities funding for the construction of new small schools and for the reconfiguration of existing schoolsites to support smaller learning communities.

SEC. 2. Section 17070.15 of the Education Code is amended to read:

17070.15. The following terms, wherever used or referred to in this chapter, shall have the following meanings, respectively, unless a different meaning appears from the context:

(a) "Apportionment" means a reservation of funds for the purpose of eligible new construction, modernization, or hardship approved by the board for an applicant school district.

(b) "Attendance area" means the geographical area serving an existing high school and those junior high schools and elementary schools included therein.

(c) "Board" means the State Allocation Board as established by Section 15490 of the Government Code.

(d) "Department" means the Department of General Services.

(e) "Committee" means the State School Building Finance Committee established pursuant to Section 15909.

(f) "Modernization" means any modification of a permanent structure that is at least 25 years old, or in the case of a portable classroom, that is at least 20 years old, that will enhance the

ability of the structure to achieve educational purposes.

(g) "Property" includes all property, real, personal or mixed, tangible or intangible, or any interest therein necessary or desirable for carrying out the purposes of this chapter.

(h) "School district" means a school district or a county office of education. For purposes of determining eligibility under this chapter, "school district" may also mean a high school attendance area.

(i) "Fund" means the 1998 State School Facilities Fund, the 2002 State School Facilities Fund, or the 2004 State School Facilities Fund, as the case may be, established pursuant to Section 17070.40.

(j) "County fund" means a county school facilities fund established pursuant to Section 17070.43.

(k) "Portable classroom" means a classroom building of one or more stories that is designed and constructed to be relocatable and transportable over public streets, and with respect to a single story portable classroom, is designed and constructed for relocation without the separation of the roof or floor from the building and when measured at the most exterior walls, has a floor area not in excess of 2,000 square feet.

(l) "School building capacity" means the capacity of a school building to house pupils.

(m) "Small high school" means a high school with a total enrollment of no more than 500 pupils.

SEC. 3. Section 17070.99 is added to the Education Code, to read:

17070.99. (a) The board shall conduct an evaluation on the cost of new construction and modernization of small high schools in conjunction with the pilot program established pursuant to subdivision (c) of Section 17072.10, as it read on January 1, 2005.

(b) The State Department of Education shall conduct an evaluation that focuses on pupil outcomes, including, but not limited to, academic achievement and college attendance rates, at the small high schools constructed pursuant to subdivision (c) of Section 17072.10, as it read on January 1, 2005, and on the reasons school districts do not currently opt to build small high schools.

(c) The evaluations required pursuant to subdivisions (a) and (b) shall be completed no later than two years after the opening of the last small high school constructed pursuant to subdivision (c) of Section 17072.10, as it read on January 1, 2005.

(d) The evaluations conducted pursuant to subdivisions (a) and (b) shall be used to inform the direction of future school facilities construction and related bond measures.

SEC. 4. Section 17072.10 of the Education Code is amended to read:

17072.10. (a) The board shall determine the applicant's maximum total new construction grant eligibility by multiplying the number of unhoused pupils calculated pursuant to Article 3 (commencing with Section 17071.75) in each school district with an approved application for new construction, by the per-unhoused-pupil grant as follows:

(1) Five thousand two hundred dollars (\$5,200) for elementary school pupils.

(2) Five thousand five hundred dollars (\$5,500) for middle school pupils.

(3) Seven thousand two hundred dollars (\$7,200) for high school pupils.

(b) The board shall annually adjust the per-unhoused-pupil apportionment to reflect construction cost changes, as set forth in the statewide cost index for class B construction as determined by the board.

(c) (1) Commencing January 1, 2006, notwithstanding subdivisions (a) and (b), for a small high school, the maximum total new construction grant shall be adjusted to reflect 120 percent of the amounts determined pursuant to subdivisions (a) and (b). The board shall adopt regulations, in consultation with the Superintendent of Public Instruction, to establish criteria to ensure that this adjustment is available to multiple small high schools on a pilot program basis and only for those applicant school districts that propose to build a small high school as part of an academic reform strategy that focuses on the positive outcomes that small high schools encourage. The board shall set aside a total amount of twenty million dollars (\$20,000,000) for this purpose from the proceeds of state bonds approved by the voters pursuant to the Kindergarten-University Public Education Facilities Bond Act of 2002 (Part 68.1 (commencing with Section 100600)) and the Kindergarten-University Public Education Facilities Bond Act of 2004 (Part 68.2 (commencing with Section 100800)). The board shall also adopt regulations, in consultation with the Superintendent of Public Instruction, to implement the pilot program, including, but not limited to, allowing a sufficient filing period for applications in order to ensure that the pilot program encompasses school districts from the northern, southern, and central regions of the state and from urban, suburban, and rural areas so that the pilot program participants are broadly representative of the state.

(2) Paragraph (1) does not apply in those circumstances where a small high school would otherwise have been built because of sparse population in the geographical area.

(d) The board may adopt regulations to be effective until July 1, 2000, that adjust the amounts identified in this section for qualifying individuals with exceptional needs, as defined in Section 56026. The regulations shall be amended after July 1, 2000, in consideration of the recommendations provided pursuant to Section 17072.15.

(e) The board may establish a single supplemental per-unhoused-pupil grant in addition to the amounts specified in subdivision (a) based on the statewide average marginal difference in costs in instances where a project requires multilevel school facilities due to limited acreage. The district's application shall demonstrate that a practical alternative site is not available.

(f) For a school district having an enrollment of 2,500 or less for the prior fiscal year, the board may approve a supplemental apportionment of up to seven thousand five hundred dollars (\$7,500) for any new construction project assistance. The amount of the supplemental apportionment authorized pursuant to this subdivision shall be adjusted in 2001 and every year thereafter by an amount equal to the percentage adjustment for class B construction.

(g) This section shall remain in effect only until January 1, 2008, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2008, deletes or extends that date.

SEC. 5. Section 17072.10 is added to the Education Code, to read:

17072.10. (a) The board shall determine the applicant's maximum

total new construction grant eligibility by multiplying the number of unhoused pupils calculated pursuant to Article 3 (commencing with Section 17071.75) in each school district with an approved application for new construction, by the per-unhoused-pupil grant as follows:

(1) Five thousand two hundred dollars (\$5,200) for elementary school pupils.

(2) Five thousand five hundred dollars (\$5,500) for middle school pupils.

(3) Seven thousand two hundred dollars (\$7,200) for high school pupils.

(b) The board shall annually adjust the per-unhoused-pupil apportionment to reflect construction cost changes, as set forth in the statewide cost index for class B construction as determined by the board.

(c) Any regulations adopted by the board prior to July 1, 2000, that adjust the amounts identified in this section for qualifying individuals with exceptional needs, as defined in Section 56026, as amended after July 1, 2000, in consideration of the recommendations provided pursuant to Section 17072.15, shall continue in effect.

(d) The board may establish a single supplemental per-unhoused-pupil grant in addition to the amounts specified in subdivision (a) based on the statewide average marginal difference in costs in instances where a project requires multilevel school facilities due to limited acreage. The district's application shall demonstrate that a practical alternative site is not available.

(e) For a school district having an enrollment of 2,500 or less for the prior fiscal year, the board may approve a supplemental apportionment of up to seven thousand five hundred dollars (\$7,500) for any new construction project assistance. The amount of the supplemental apportionment authorized pursuant to this subdivision shall be adjusted in 2008 and every year thereafter by an amount equal to the percentage adjustment for class B construction.

(f) This section is operative January 1, 2008.

SEC. 6. Section 17072.30 of the Education Code is amended to read:

17072.30. (a) Subject to the availability of funds, and to the determination of priority pursuant to Section 17072.25, if applicable, the board shall apportion funds to an eligible school district only upon the approval of the project by the Department of General Services pursuant to the Field Act, as defined in Section 17281, and certification by the school district that the required 50 percent matching funds from local sources have been expended by the district for the project, or have been deposited in the county fund, or will be expended by the district by the time the project is completed, in an amount at least equal to the proposed apportionment pursuant to this chapter, prior to release of the state funds.

(b) Notwithstanding subdivision (a), subject to the availability of funds, the board shall, for a project to construct a small high school pursuant to subdivision (c) of Section 17072.10, apportion funds to an eligible school district only upon approval of the project by the Department of General Services pursuant to the Field Act, as defined in Section 17281, and certification by the school district that the required 40 percent matching funds from local sources have been expended by the district for the project, or have been deposited in the county fund, or will be expended by the district by the time the project is completed, in an amount at least

equal to 40 percent of the total project costs pursuant to this chapter, prior to release of the state funds.

(c) This section shall remain in effect only until January 1, 2008, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2008, deletes or extends that date.

SEC. 7. Section 17072.30 is added to the Education Code, to read:

17072.30. (a) Subject to the availability of funds, and to the determination of priority pursuant to Section 17072.25, if applicable, the board shall apportion funds to an eligible school district only upon the approval of the project by the Department of General Services pursuant to the Field Act, as defined in Section 17281, and certification by the school district that the required 50 percent matching funds from local sources have been expended by the district for the project, or have been deposited in the county fund, or will be expended by the district by the time the project is completed, in an amount at least equal to the proposed apportionment pursuant to this chapter, prior to release of the state funds.

(b) This section is operative January 1, 2008.

SEC. 8. Section 17072.32 of the Education Code is amended to read:

17072.32. (a) For any project that has received an apportionment pursuant to subdivision (a) of Section 17072.30, funding shall be released in amounts equal to the amount of the local match upon certification by the school district that the school district has entered into a binding contract for completion of the approved project.

(b) Notwithstanding subdivision (a), for any project for construction of a small high school, pursuant to subdivision (c) of Section 17072.10, that has received an apportionment pursuant to subdivision (b) of Section 17072.30, funding shall be released in amounts equal to 60 percent of the total project costs upon certification by the school district that the school district has entered into a binding contract for completion of the approved project.

(c) This section shall remain in effect only until January 1, 2008, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2008, deletes or extends that date.

SEC. 9. Section 17072.32 is added to the Education Code, to read:

17072.32. (a) For any project that has received an apportionment pursuant to Section 17072.30, funding shall be released in amounts equal to the amount of the local match upon certification by the school district that the school district has entered into a binding contract for completion of the approved project.

(b) This section is operative January 1, 2008.

SEC. 10. Section 17074.32 is added to the Education Code, to read:

17074.32. (a) A high school with an enrollment of 1,000 or more pupils that is seeking to reconfigure into two or more small high schools, as defined in subdivision (m) of Section 17070.15, shall be eligible for additional modernization funding to assist with costs generated by the reconfiguration. Reconfiguration can specifically allow some limited new construction necessary to accommodate the reconfiguration. The board shall set aside a total amount of five

million dollars (\$5,000,000), from the proceeds of state bonds approved by the voters pursuant to the Kindergarten-University Public Education Facilities Bond Act of 2002 (Part 68.1 (commencing with Section 100600)) and the Kindergarten-University Public Education Facilities Bond Act of 2004 (Part 68.2 (commencing with Section 100800)), for purposes of this additional modernization funding and no single project shall be granted, in the aggregate, more than five hundred thousand dollars (\$500,000).

(b) The board shall adopt regulations to implement this section.

(c) This section shall remain in effect only until January 1, 2008, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2008, deletes or extends that date.